

# Presentation to ITAC



## ARIZONA DEPARTMENT OF HEALTH SERVICES

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### LICENSING

#### Agency Vision

Health and Wellness for All Arizonans

#### Agency Mission

To promote, protect, and improve the health and wellness of individuals and communities in Arizona

## eLicensing System Implementation

State of Arizona – Department of Health Services  
Colby Bower, Assistant Director Division of Licensing

Project ID - HS20003

November 18, 2020



## Presenter/Sponsor Introductions (Haley Greenberg)

- **Colby Bower** - Assistant Director, Division of Licensing
- **Paula Mattingly** - Chief Information Officer
- **Tom Salow** - Branch Chief, Division of Licensing
- **Ryan Sadler** - Applications Manager, Information Technology
- **Luke Evans** - Project Management Office, Information Technology

# Agenda Review (Luke Evans)

**State of the Project** (Tom Salow)

**Change Request Introduction** (Colby Bower)

**Proposed Solution & Responsibilities** (Luke Evans)

**Project Schedule & Financials** (Luke Evans)

**Financial Benefits** (Tom Salow)

**Risks & Contingency** (Colby Bower)

**Closing Remarks, Question & Answer** (Colby Bower)

# State of the Project (Tom Salow)

## Recent Success:

1. **Dec 1, 2019** - Senate Bill 1494 requirements released to eLicensing platform. Eliminates \$1-1.5M annually on card printing operation.
2. **May 20, 2020** - Dispensary Registration Certificate Renewal Electronic Intake
3. **June 2, 2020** - Major new functionality release for Individual, Dispensary, and Law Enforcement
4. **Oct 6, 2020** - Dispensary Certification, Corrections, Dispute, & Enforcement Automations and self service. Dispensary employee self service. Annual report creation (Tableau integration).

# Change Request (Colby Bower)

## **Problem Statement:**

In conjunction with established Medical Marijuana eLicensing goals, the Arizona Proposition 207 Marijuana Legalization Initiative (2020) increases the need for IT project resources to build and support services in support of the initiative. Initial functionality needs to be in place by January 19, 2021. These services include:

1. Marijuana Facility Agent Application and Agent Card Processing
2. Marijuana Establishment Application and Certificate Processing
3. Continued implementation of Marijuana eLicensing functionality and automate QA testing

## **Proposed Changes:**

The Agency is seeking ITAC approval to leverage the use of the existing system integration firm (SHI) to implement a phased rollout and maintenance transition of adult-use marijuana and shared medical/recreational functionality over the course of the next 12 months.

# Proposed Solution (Luke Evans)

## Procurement:

1. Expand existing system integration team to build and release solution packages
2. Procure additional eLicensing subscriptions
3. Procure quality assurance software automation
4. Retain IV&V oversight services

## Technology:

1. Utilize and leverage shared eLicensing platform for reuse efficiencies
2. Leverage existing data integration platform to provide data to AZ Care Check for newly created establishments; an established searchable database containing locational and deficiency information of future recreational marijuana establishments

# Project Responsibilities (Ryan Sadler)

## Agency

1. Quality Assurance
2. User Acceptance
3. Financial Management
4. Project Management
5. License Management
6. Data Integrity & Governance

## Shared

1. Development
2. Release Management
3. Maintenance and Operations
4. Organizational Change Management

## Vendor

1. Scrum Management (SHI)
2. Architecture Expertise (SHI)
3. Business Requirements Facilitation (SHI)
4. Solution Hosting (Salesforce)
5. Training (SHI)

# Proposed Release Schedule Summary (Luke Evans)

## 1. Winter 2020-2021

- Deploy Adult-Use Marijuana **Establishment Application** Process
- Enable Adult-Use Marijuana **Facility Agent Card Generation**

## 2. Spring 2021

- Release Comprehensive **Ownership Self Service** Feature Set

## 3. Summer 2021

- Integrate **Customer Complaints** Process
- Electronify Program-wide **Inspection, Correction, Enforcement, Dispute Resolution**
- Release patient and agent **card renewal notification** features

## 4. Fall 2021

- Transition to Maintenance and Operations

# Summarized Financials (Luke Evans)

## Current Financials

<i>SUM of Total</i>	<i>Yr</i>					
<i>Category</i>	1	2	3	4	5	Grand Total
License & Maintenance Fees	\$2,231,053	\$2,548,013	\$2,548,013	\$2,548,013	\$2,548,013	\$12,423,107
Professional & Outside Services	\$5,335,870	\$5,133,521	\$0	\$0	\$0	\$10,469,391
Software	\$316,960					\$316,960
<b>Grand Total</b>	<b>\$7,883,884</b>	<b>\$7,681,534</b>	<b>\$2,548,013</b>	<b>\$2,548,013</b>	<b>\$2,548,013</b>	<b>\$23,209,458</b>

## Proposed Financial Additions

<i>SUM of Total</i>	<i>Yr</i>				
<i>Category</i>	2	3	4	5	Grand Total
License & Maintenance Fees	\$705,900	\$731,638	\$731,638	\$731,638	\$2,900,815
Professional & Outside Services	\$4,855,674	\$2,379,990			\$7,235,665
Software	\$98,826	\$3,910	\$3,910	\$3,910	\$110,555
<b>Grand Total</b>	<b>\$5,660,400</b>	<b>\$3,115,538</b>	<b>\$735,548</b>	<b>\$735,548</b>	<b>\$10,247,034</b>

# Financial Costs and Benefits (Tom Salow)

## Costs

<i>Previously Approved Funds</i>	\$ 23,209,458
<i>Net New Funding Approval Request</i>	<u>\$ 10,247,034</u>
<i>New 5 Year Total Budget</i>	\$ 33,456,492

## Key Benefits

- *Auditor General Findings*
- *Risk Mitigation for Future Litigation*
- *Simplification of Public Record Requests*
- *Application Accuracy*
- *Customer Satisfaction*

## Closing Remarks (Colby Bower)

The Agency is requesting ITAC approval to build out shared and high value Medical/Adult-Use Marijuana Program functionality in support of Agency and customer eLicensing goals. This includes meeting Adult-Use Marijuana Prop 207 requirements on or before January 19, 2021.

# Q & A Session